



Internal Audit Report

Maricopa County Constables

March 2001

WARNING

PURSUANT TO COURT ORDER # _____, PROPERTY HAS BEEN SEIZED BY THE CONSTABLE OF JUSTICE COURT. THE LOCKS HAVE BEEN CHANGED.

YOU NO LONGER HAVE LEGAL RIGHTS IN OR ABOUT THESE PREMISES. SHOULD YOU FAIL TO COMPLY WITH THE COURT ORDER, YOU WILL BE SUBJECT TO ARREST.

JUSTICE _____

BY CONSTABLE _____

DATE _____ TELEPHONE _____

CALL _____ TO ARRANGE ONE RE-ENTRY DURING REGULAR BUSINESS HOURS TO REMOVE ANY PERSONAL PROPERTY PRIOR TO REMOVAL OR THEY WILL BE REMOVED SUBJECT TO MOVING/STORAGE COSTS.

LOCKS HAVE BEEN CHANGED

2500-183 P10-00

JUSTICE COURT
1845 E. Broadway #109
Tempe, Arizona 85282
480-350-9442

CERTIFICATE OF SERVICE

CASE NO. _____

PLAINTIFF _____ DEFENDANT _____

NAME _____

ADDRESS _____

ZIP _____

AND PETITION _____

State _____

CONSTABLE
MARICOPA COUNTY

Name _____

Precinct _____

Expires _____

ARS 13-105

PHOTO

Constable _____

ED AND SWORN to before me this _____ day of _____

Notary Public _____

ion expires: _____

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Internal Audit Department

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March 29, 2001

Janice K. Brewer, Chairman, Board of Supervisors
Fulton Brock, Supervisor, District I
Don Stapley, Supervisor, District II
Andrew Kunasek, Supervisor, District III
Mary Rose Wilcox, Supervisor, District V

We have completed our FY 2001 review of Maricopa County Constables. This audit was conducted in accordance with the Board-approved audit plan. We reviewed the constables' compliance with applicable Arizona Revised Statutes (ARS) requirements, legal opinions, and County policies. Areas identified as needing improvement, along with our recommendations, are detailed in the attached report. The highlights of this report are:

- Ten constables who carry guns, on their person or in County vehicles, are not certified by the Arizona Peace Officers Standards and Training Board, as mandated by law.
- Some constables could not verify their civil process training and /or carry misleading identification cards. These are exceptions to ARS and County policy requirements and increase risk to both the County and constables.
- Constables have not established adequate controls over some administrative functions (e.g., cellular phone usage, fixed assets, payroll processing) which expose the constables and the County to financial risk.

We have attached our report package and the constables' responses. We reviewed this information with the constables, Constable Administrator, and Justice System Coordinator and appreciate the excellent cooperation provided by all affiliated personnel. If you have questions or wish to discuss items presented in this report, please contact George Miller at 506-1586.

Sincerely,

A handwritten signature in cursive script that reads "Ross L. Tate".

Ross L. Tate
County Auditor

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Executive Summary

Weapons (Page 8)

Ten Maricopa County Constables who carry guns, on their person or in County vehicles, are not certified by the Arizona Peace Officer Standards and Training Board (AzPOST) to perform peace officer duties, as mandated by law. Constables have not implemented background checks, training standards, and weapons documentation for individuals who carry weapons, as done by other County departments. These control weaknesses increase the potential for legal and financial risk to both the County and constables. Maricopa County Constables should initiate the actions necessary to comply with all weapons related legal requirements and strengthen controls over these areas.

Civil Training, Certification, and Identification (Page 11)

Our examination of constables' civil process training records and identification cards found significant exceptions to Arizona Revised Statutes (ARS) and County policy requirements, increasing risk to both the County and constables. Where necessary, constables should complete mandated training, obtain new identification cards, and maintain more complete supporting documentation.

Revenues/Fees - Constables (Page 13)

Maricopa County Constables do not collect all mileage fees authorized by ARS for serving civil orders, and receive no financial consideration for criminal processes served for other County and non-County offices. Fee schedules for nine constable offices are not posted in public locations, as required. Constables should review their fees and post fee schedules in accordance with ARS requirements.

Revenue/Fees-Justice Courts (Page 15)

Our review of justice court fund transmittals, including constable fees, found significant exceptions to the financial reporting requirements that have been established by the Arizona Supreme Court. These exceptions may expose the County to legal and financial risk. Justice Court Services should strengthen controls over these activities.

Activity Logs (Page 17)

Maricopa County Constables do not adequately meet the activity reporting requirements set by ARS. Non-compliance with these requirements increases the constables' risk for incurring legal liability. The constables should improve their controls over activity reporting in order to meet ARS requirements.

Administrative Activities (Page 19)

Maricopa County Constables have not established adequate controls over some administrative functions, which expose the constables and the County to financial risk. We found exceptions to County policy requirements during our examination of telecommunications equipment usage charges, fixed assets, and payroll processing. The constables should strengthen controls over these activities.

Vehicle Permits (Page 21)

Our review of the Maricopa County Constables' Vehicle Use Permits records identified several material exceptions to County policy requirements and control weaknesses, which may expose the County to legal and financial risk. The constables should strengthen controls over vehicle permit activities.

Introduction

Background

Maricopa County Constables operate under the authorization of Arizona Revised Statutes (ARS) 22-131/132 and 11-445. Constables, whose salaries are set by statute, are elected officials who serve four-year terms. Their primary duty is to attend the Justice Court in their precinct and serve papers on behalf of the Court. Maricopa County has 23 Justice Courts and a constable represents each one.

Constables must serve summons, subpoenas, writs, levies, and other court papers within established time limits and according to legal rules. Constables also protect individual citizens by serving orders of protection, serving orders prohibiting harassment, and assisting in the recovery and reclamation of assets.

Constables are required by ARS to complete a Civil Process training class provided by the Arizona Peace Officer Standards and Training Board (AzPOST). Constables are also defined as peace officers and subject to an ARS mandate that states no person may exercise the authority, or perform the duties, of a peace officer unless AzPOST certified. These training and certification requirements help protect both the constables and the County against legal liability.

Organization, Mission, and Goals

Maricopa County has 23 Constables assisted by four Deputy Constables, three Process Servers, and a Constable Administrator. Appointments for the subordinate positions have been filed in writing with the County Recorder. The Mission of the Constables is to “attend the Justice Courts within their precincts and execute, serve, and return all processes and notices directed or delivered to them by a Justice of the Peace of the County or by competent authority.”

As part of the County’s Managing for Results program, Maricopa County Constables are developing formal goals, objectives, and performance standards. Constables, Deputy Constables, and Process Servers will be encouraged to report monthly counts of all processes served. Recently passed legislation will assist in this process.

Maricopa County Constables developed a Constable Policy and Procedures Manual in 1999 that covers staff roles and responsibilities, professional conduct, work procedures, and administrative policy. The manual also contains a section of statutory references and legal opinions addressing significant constable issues.

Constable Salaries

Constable salaries are set by statute on a three-tier scale that is based on the number of registered voters in Justice Court precincts. Maricopa County's large population and number of registered voters have virtually eliminated the usefulness of the first two salary tiers in the County.

The Governor signed Senate Bill 1441 in April 2000, which increased the third tier salary level for precincts having more than 16,000 registered voters. All but one Maricopa County precinct has more than 16,000 registered voters and, therefore, 22 of the 23 Maricopa County Constables received salary increases.

Legislative Issues

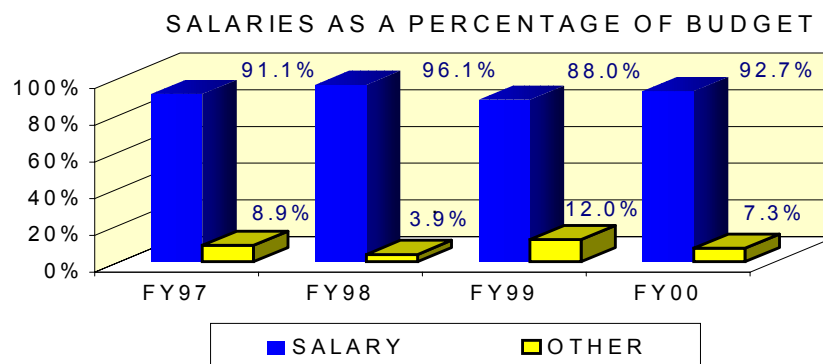
Senate Bill 1441 also created a Joint Legislative Study Committee to review the following Constable related issues:

- Process by which justice precincts are drawn
- Methods to set salary (e.g., productivity based rather than number of voter registrations)
- Board of Supervisors' authority over constables and constables' job duties
- Constable fees, which have not been increased in many years.

The committee review prompted House Bill 2099. The bill was passed and signed by the Governor on March 6, 2001. The bill includes expanding information on activity logs, and establishes a Constable Ethics Committee. The bill also mandates additional constable training, including firearm safety, and provides county paid training expenses. Constable training is discussed in Issues 1 and 2 of the Detailed Information section of this report.

Financial Data

Maricopa County Constables Fiscal Year (FY) 2000-01 operating budget is \$1.5 million and funded by the County General Fund. Salary related expenditures comprise almost the entire budget, as illustrated below:



Until recently, revenues and expenditures had been budgeted as a lump sum that included all constables. Now each precinct is assigned its own low organization code to more clearly identify costs and revenues. A 7.7 percent expenditure increase in FY 1998-99 was primarily due to the addition of two new constables and related vehicles and equipment. Other than this increase, expenditures have been stable over the past four fiscal years.

The civil processes that constables serve for justice courts generate fee revenue. The constables do not have their own automated information system application. Therefore, fees are collected and processed by the justice court system then posted through the Treasurer's Office and Department of Finance (DOF). Fees collected during FY 1999-2000 totaled \$557,654 and represent a 28.5 percent increase over FY 1996-97. This growth is due to a larger volume of civil processes served because constable fees have not increased.

Scope and Methodology

The objectives for the Maricopa County Constables audit were to determine:

- Constables' compliance with applicable ARS requirements, regulations, and County policies
- Any undisclosed risks and liabilities associated with constables, service of court orders, and actions taken in response to the risks
- The effectiveness of the structure and operational controls to ensure that program goals and objectives are met
- The validity and reliability of data gathered, maintained, and disclosed
- If County assets and resources are safeguarded and protected from loss and abuse, and controls are adequate to ensure accurate recordkeeping and compliance with County policy requirements.

This audit was performed in accordance with Government Auditing Standards.

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Department-Reported Accomplishments

The following list of accomplishments was provided to the Internal Audit Department by Maricopa County Constables for inclusion in this report.

- Managing for Results - Constables have completed the Planning for Results portion of the program and are working on Budgeting and Reporting Results for the next fiscal year.
- Constables have completed 100% automation of all twenty-three locations. The use of computers has allowed constables to more efficiently complete their administrative duties.
- In an effort to better serve the citizens of the County, constables were able to absorb the cost of an additional deputy constable position within their base budget in fiscal year 2001.
- For the last three years, constables have worked diligently to stay well within budget targets.

Issue 1 Weapons

Summary

Ten Maricopa County Constables who carry guns, on their person or in County vehicles, are not certified by the Arizona Peace Officer Standards and Training Board (AzPOST) to perform peace officer duties, as mandated by law. Constables have not implemented background checks, training standards, and weapons documentation for individuals who carry weapons, as done by other County departments. These control weaknesses increase the potential for legal and financial risk to both the County and constables. Maricopa County Constables should initiate the actions necessary to comply with all weapons related legal requirements and strengthen controls over these areas.

Legal Requirements

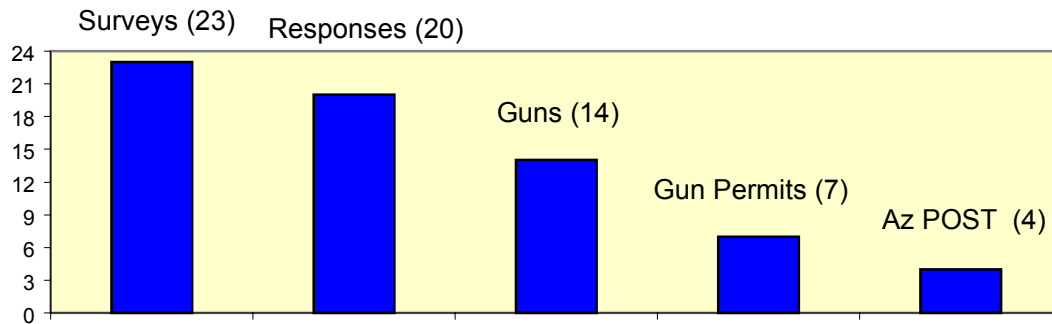
Several ARS sections, Arizona Attorney General written opinions and Maricopa County Attorney written opinions contain requirements that directly and clearly address constables' peace officer status and weapons.

- ARS 1-215 and 36-501 define constables as peace officers.
- ARS 41-1823 prohibits persons from performing duties of a peace officer unless certified by AzPOST.
- Two Arizona Attorney General written opinions (1984 and 1995) state that constables may not perform peace officer duties unless AzPOST certified.
- A Maricopa County Attorney written opinion (1996) states that constables may not perform peace officer duties unless AzPOST certified.
- A Maricopa County Attorney written opinion (December 15, 2000) states "Constables may not carry a firearm in furtherance of their duties as a constable unless they have received AzPOST certification. This office recommends that a policy be adopted that prohibits Constables from carrying a firearm in furtherance of their duties unless they are AzPOST certified."

Weapons/Certification Survey

Our office developed a written survey requesting information on training and the carrying of weapons to help determine if constables have met the above legal requirements. The questionnaire was sent to all 23 constables. Eighteen constables responded in writing and two provided answers during on-site personal interviews, resulting in an overall response rate of 87 percent. The chart on the following page graphically summarizes the results.

Constable Survey/Data Responses



As shown, fourteen of the twenty (70%) constables who responded to the survey report carrying guns on their person or in County vehicles. However, only four (29%) report that they are AzPOST certified, as required by law. Constables do not maintain any written documentation of training, certifications, or weapons. Background checks are not performed to ensure that individuals who carry weapons are qualified.

Constables that were interviewed believe those who carry a weapon should complete weapons training like employees of other County departments who carry weapons. These constables stated, however, that full AzPOST certification may not be necessary if an alternative plan is developed and approved. Constables also want their training to be funded in the same manner as other County agencies and departments. Arizona House Bill 2099 provides for mandatory firearm safety training and for County paid training expenses.

Constables, as elected officials, have maintained an independent position while performing their duties and have not been subject to direct oversight. By virtue of their legislative definition as peace officers, many constables have presumed that they are entitled to carry a weapon. Some, who are not AzPOST certified, continue to do so in spite of the ARS requirements and written Attorney General and County Attorney opinions previously referenced.

Other County Departments

We contacted three other County departments that authorize employees to carry weapons on the job. The departments and employee job titles are:

- Facilities Management (Protective Services Officers)
- County Attorney (Investigators)
- Parks and Recreation (Park Police).

All three departments require background checks and firearms training for those employees who carry weapons. The departments also have developed comprehensive written policies and procedures that address these issues.

Exposure to Risk

Constables are exposed to physical risk while serving arrest warrants, performing evictions, and performing other peace officer duties. The County and constables face potential significant legal and financial liability in the event of a weapons related incident. This risk increases if the incident involves a constable who is not AzPOST certified.

Recommendation

Maricopa County Constables should:

- A. Require all constables who perform peace officer duties and/or carry guns to become AzPOST certified, in order to comply with ARS requirements
- B. Develop oversight authority and formal policies and procedures to ensure that laws and legal opinions affecting constables and County liability are reviewed, adhered to, and applied
- C. Immediately document with the Constable Administrator (or other designee) which constables carry weapons, weapon type, and serial number so that this information is readily available in the event of an incident or accident.

Issue 2 Civil Training, Certification, and Identification

Summary

Our examination of constables' civil process training records and identification cards found significant exceptions to Arizona Revised Statutes (ARS) and County policy requirements, increasing risk to both the County and constables. Where necessary, constables should complete mandated training, obtain new identification cards, and maintain more complete supporting documentation.

Applicable Requirements

In addition to the requirements identified in Issue 1, ARS and County/Constable policies establish the following additional requirements that directly apply to constables:

- ARS 22-131(B): Constables must attend a civil process training class provided by AzPOST.
- ARS 13-2006: "A person commits criminal impersonation by: pretending to be...an employee or a representative of some person or organization with the intent to induce another person to provide or allow access to property." Criminal impersonation is a class 6 felony.
- Constable policy Section III.Ie1: Defines personal service as "advising the person of the Constable's authority."
- County Administrative policy 1912: All employees must wear identification badges while in County buildings.

Certification and Identification Testing

We tested the constables' compliance with these requirements through physical observation and by examining documentation maintained on file by individual constables and the Constable Administrator. The results are summarized below:

- Six of twelve constables interviewed were unable to verify taking the required Civil Process training class.
- Seven of 19 constables' identification cards reviewed showed the word POLICE bold printed on the face. The Arizona Constables State Association, Inc. (ACSAI) issued these cards.
- Of the twelve constables interviewed, only two carry the special Maricopa County Constable identification card; one carries a card issued under the Maricopa County Sheriff's Office and another carries a card issued under the Arizona Superior Court of Maricopa County.

County Risks

Non-compliance with certification requirements may expose individual constables and the County to legal risk. For example, some constables would be unable to document their civil training if called to testify in court. The absence of uniform identification may negatively impact constables' ability to perform their functions and increase their physical risk. Constables displaying identification cards stating POLICE are falsely identifying themselves and possibly violating laws, which may increase legal and financial risk to both themselves and the County.

Recommendation

- A. Each constable who has not taken, or cannot verify completion of, the required AzPOST Civil Process training class should do so, in order to comply with ARS requirements.
- B. Each constable should maintain adequate written documentation to verify all training and certifications.
- C. Constables should obtain and carry the Maricopa County Constable identification card, as soon as possible, and collect and destroy all previously issued ACSAI cards annotated with the word POLICE. Constables who want to carry the ACSAI card should obtain the new version that excludes the police reference.

Issue 3 Revenues/Fees - Constables

Summary

Maricopa County Constables do not collect all mileage fees authorized by ARS for serving civil orders, and receive no financial consideration for criminal processes served for other County and non-County offices. Fee schedules for nine constable offices are not posted in public locations, as required. Constables should review their fees and post fee schedules in accordance with ARS requirements.

Authorization

ARS 11-445 authorizes constables to charge fees for serving civil processes and also specifies the amounts. The statute establishes mileage charges from the justice court issuing service action to the service location. The charge is \$1.50 per mile one way, not to exceed 200 miles, with a minimum of \$10. ARS 38-412 requires constables and the courts to post a fee schedule in a conspicuous office location.

Revenue Testing

Civil Fees

All 23 justice courts collect and record constable fees as part of the court's financial reporting activities. Records show that most courts charge the standard constable writ fee service charge and minimum mileage. We reviewed specific fee collections at twelve courts in order to compare the mileage fees charged by the courts to the amount authorized by ARS. We found the following:

- Eight of the twelve courts charge minimum constable mileage fees; four courts could increase constable mileage fee revenue by charging for mileage outside the minimum \$10 (7-mile) radius.
- Four of the twelve constables have mapped mileage boundaries (measuring mileage beyond the 7-mile radius) and provided copies to the justice court, in order to maximize mileage fee revenue.
- One constable charges the minimum mileage fee and then adds a \$10 "posting" charge; broadly interpreting ARS 11-445 (A) "...posting or serving any notice, process, writ, order, pleading or paper required or permitted by law not otherwise provided for, \$10."

Criminal Case Services

More than one-half of constables' services are for criminal case processes generated by the Maricopa County Attorney, Arizona Attorney General, and a law firm that has contracted with the County. Constables are utilized because they serve the processes in a timely manner, at no cost, while private process servers charge a fee.

Fee Schedules

We found that nine of the twelve constable offices and justice courts tested had not posted fee schedules in locations visible to the public, as required by ARS.

Budgetary Impact

Some constables have not reviewed their service area boundaries to determine if additional mileage fees may be charged. As a result, those justice courts often charge customers less than the allowable amount for constable mileage, reducing constable fee revenues. Additionally, services that constables provide free of charge for the County Attorney, Attorney General, and the County contracted law firm generate no revenue for the office but add expenses that are paid from the constable's budget.

Recommendation

Maricopa County Constables should:

- A. Review all constable service areas to determine maximum mileage charges and then convey this information to the justice courts
- B. Work with the justice court to develop a uniform fee schedule to be posted in both constable and justice court offices
- C. Review and quantify services that constables provide for agencies other than justice courts and determine if charging service fees is desirable, legal, and feasible. If so, the constables should develop written service fee agreements with those outside agencies.

Issue 4 Revenues/Fees - Justice Court Administration

Summary

Our review of justice court fund transmittals, including constable fees, found significant exceptions to the financial reporting requirements that have been established by the Arizona Supreme Court. These exceptions may expose the County to legal and financial risk. The Justice Court Administration office should strengthen controls over these activities.

ARS and Supreme Court Requirements

As reported in Issue 3, ARS 11-445 establishes constable fees for civil process services. These fees are paid to the justice courts, which remit the funds to the Treasurer's Office.

The Administrative Office of the Arizona Supreme Court (AOC) Minimum Accounting Standard (MAS) 9.01 and the State of Arizona Uniform Accounting Manual require courts' depository accounts to be reconciled monthly within 30 days of receipt of the Treasurer's Report and bank statement. The reconciliation of the Fund Listing Demand account should net to zero.

Revenue Testing

We reviewed monthly funds transmittals, submitted by seven justice courts to the Treasurer's Office, to verify if constable fees had been posted by the courts and the required reconciliations have been performed. We found the following exceptions:

- The Glendale Justice Court's Fund Listing Demand Account reflected a balance of \$315,714, as of January 8, 2001. The Treasurer had not yet received transmittals for September and November 2000. The November 2000 funds were later posted and the Demand Account balance then reflected approximately \$190,000. The September 2000 funds and those from two months prior to FY 2000-01 remain uncleared.
- The Maryvale Justice Court's Fund Listing Demand Account reflected a balance of \$293,197 as of January 30, 2001. Only June and September 2000 month-end totals had been posted. Transmittals for July, August, and October through December 2000 could not be traced.

Maricopa County Justice Court Services apparently was not aware of these MAS exceptions. The two justice courts' staff completing statement reconciliations apparently did not adequately understand the nature of the fund deposit account as a clearing account that nets to zero.

Risk to County

The above exceptions to AOC accounting requirements include constable fees that are not available for posting. Approximately \$118,500 of these funds are due to outside agencies. These funds have not been remitted in a timely manner because the two justice courts have not sent the fund transmittals to the Treasurer's Office to be posted.

Recommendation

Justice Court Services should:

- A. Immediately research missing transmittals for the Glendale and Maryvale Justice Courts, review all justice court Fund Demand accounts, ensure that none has more than one month's fees outstanding, and research any balances exceeding an estimated one month's fees
- B. Establish a monitoring system to ensure all month-end transmittals have been received and posted, on a monthly basis, by the Treasurer's Office
- C. Review reconciling procedures for deposit accounts, including the use of the Treasurer's Fund Listing Demand Report, and provide training to ensure that staff understand that the Fund Listing Demand account's use as a clearing account that nets to zero.

Issue 5 Activity Logs

Summary

Maricopa County Constables do not adequately meet the activity reporting requirements set by ARS. Non-compliance with these requirements increases the constables' risk for incurring legal liability. The constables should improve their controls over activity reporting in order to meet ARS requirements.

Statutory Requirements

ARS 11-445 requires constables to maintain a written record of their work-related activities with case number, plaintiff names, and defendant names. Copies of the record are to be filed annually with the justice court. The record is to be made available to the public during regular office hours.

Activity Log Testing

We selected a sample of twelve constables to test for compliance with the above ARS requirements. Exceptions to the requirements, found during our review, are summarized below:

- One constable does not complete an Activity Log.
- Two other constables complete an Activity Log only periodically.
- Some constables were able to provide current Activity Logs for parts of calendar years 2000 and 1999, or since taking office, but all prior logs were missing or unavailable; only three constables could provide records prior to 1998.
- Only two constables could produce documentation to verify that they have filed annual reports with the justice court; one report was filed in arrears.
- Three constables who keep only periodic Activity Logs do not have the logs available for public review.
- Several constables did not have their Activity Logs readily available for review. However, they reported that hardcopies could be printed from their computer and made available for public review if requested.

Some constables have tried to circumvent the Activity Log requirement by keeping copies of all the individual papers they have served. This practice hampers both the annual reporting activity and the public's ability to review constable logs, both of which ARS requires.

Some constables stated that they were unaware that they are required to file an annual report. Others stated that the ARS requirement was vague and were unsure whether to file a copy of the log, as the annual record, or provide a count of the number of processes served. They pointed out that ARS does not specify whether the report is for the calendar year or fiscal year.

Recommendation

Maricopa County Constables should:

- A. Develop a consistent and standardized activity log to be completed and used by all constables, deputy constables, and process servers on a daily basis.
- B. Ensure logs are maintained in current condition and available on request.
- C. Develop the annual report that constables will prepare in order to comply with ARS, agree on a distribution method (i.e., have each constable responsible for own or administrator coordinate all), and determine if the report will be prepared on a calendar or fiscal year basis.

Issue 6 Administrative Activities

Summary

Maricopa County Constables have not established adequate controls over some administrative functions, which expose the constables and the County to financial risk. We found exceptions to County policy requirements during our examination of telecommunications equipment usage charges, fixed assets, and payroll processing. The constables should strengthen controls over these activities.

Requirements

The Maricopa County Administrative Manual, Procurement Code, and Financial Policies Manual contain policies and procedural requirements for administrative activities performed by County departments. ARS requires public agencies to develop a written Records Retention Schedule and submit the document to the Arizona Department of Library, Archives, and Public Records for approval.

Activities and Review Results

During preliminary survey work we selected several constable administrative activities, performed on a regular basis, to test for policy compliance and to assess the adequacy of internal controls. The activities examined and exceptions are summarized below.

Telecommunications equipment usage charges: The telecommunications charges for constables are not adequately monitored and phone bills are not signed off by constables and employees, in accordance with County policy requirements. The most significant exceptions relate to cellular phones.

Constables and support staff are assigned 30 cellular phones, which are often used for personal use. Our review of the billing detail for nine constables (19,680 minutes total) found 3,866 minutes (20%) of personal calls where the costs for these calls have not been reimbursed, as required.

Fixed Assets: Our testing found 100 items (vehicles, equipment, computers, and furniture) that were not listed on the Maricopa County Constables or the County Department of Finance (DOF) Fixed Asset List. None was affixed with current County fixed asset identification tags. Six vehicles from the DOF Fixed Asset List were no longer in use, having been sold at auction by the Equipment Services Department or transferred to another County department.

Employee Payroll and Personnel Action Forms (PAF): The duties of preparing and authorizing employee PAFs and payroll preparation and distribution are not adequately segregated. This lack of segregation increases the financial risk of unauthorized payments. The constables present a unique situation due to the department having only one administrative employee.

Financial Data-Expenditures: Our review of Maricopa County Constables line item operating variances for four fiscal years (FY 1996-97 through FY 1999-2000) found no significant exceptions to County policy or apparent risk exposure.

Employee Travel Expenditures: Most travel expenses were validated and had supporting documentation on file, as required. We found two non-material expenses, from prior fiscal years, for which supporting documentation could not be located in order to validate the travel expenses.

Petty Cash: The Constable Administrator is custodian of the petty cash fund and appropriate documentation is on file. The fund is properly stored and utilized in accordance with policy requirements. We found the fund amount of \$500 to be excessive given the expenditure amounts reviewed.

Record Retention: The constables have not developed a written Records Retention Schedule that has been approved by the State, as required by ARS.

Recommendation

Maricopa County Constables should strengthen controls over the following activities to ensure full compliance with County policy requirements and reduce financial risk:

- A. Review County policies and procedures for telecommunications equipment; review all long distance and cell phone bills on a monthly basis; identify and sign-off on personal calls; reimburse the County for personal cell phone calls
- B. Identify and document County fixed assets at each office location and tag assets over \$5,000 with County identification; prepare a fixed assets certification for submission to DOF at each fiscal year end, as required
- C. Segregate employee payroll and PAF processing duties, to the extent possible, to ensure that unauthorized payments are not made
- D. Ensure that authorized/approved travel documentation is prepared and maintained on file for three years, in compliance with County policy requirements
- E. Consider lowering the amount of the constables' petty cash fund
- F. Develop and submit a written Record Retention Schedule to the Arizona Department of Library, Archives, and Public Records.

Issue 7 Vehicle Permits

Summary

Our review of the Maricopa County Constables' Vehicle Use Permit records identified several material exceptions to County policy requirements and control weaknesses, which may expose the County to legal and financial risk. The constables should strengthen controls over vehicle permit activities.

County Policy Requirements

Maricopa County Administrative policy A2302 was established in 1991 and requires employees who operate a vehicle to have a current County Vehicle Use Permit. Administrative Policy 2310 (last updated in 1993) requires employees who take a vehicle home to have an occasional or continuous use permit. Additionally, the Board of Supervisors must approve Elected Officials' requests for overnight permits. These permits along with written justification must be submitted to, and approved by, the Board annually.

Review Results

County Vehicle Use Permit records are maintained by the Maricopa County Department of Transportation (MCDOT). We reviewed the October 27, 2000 Vehicle Use Permit List for the Maricopa County Constables. The report provided the following information:

- 14 permits have expired, including those for five current constables
- 5 constable staff members that operate County vehicles are not shown to have a Vehicle Use Permit
- 19 individuals who are no longer constables or are unknown to office personnel are shown to have Vehicle Use Permits.

The Clerk of the Board's Office reported that no County elected official has submitted a request for occasional or continuous use permits to the Board for approval since 1993. The Constables Administrator was unaware of the approval requirement.

Potential Risks

In the event of an accident, the County may be exposed to increased legal and financial risk resulting from unauthorized or undocumented drivers and incomplete vehicle assignment information.

Recommendation

Maricopa County Constables should:

- A. Complete a Request to Operate County Owned Motor Vehicle for each of the vehicle operators
- B. Review MCDOT's vehicle operator permit listing on a regular basis, ensure the listing for the constables is current and accurate, and report any discrepancies.

The Office of the County Administrative Officer should review County Administrative Policy A2310 Overnight Use of County Vehicles and determine if the policy should be more closely enforced or, possibly, eliminated.